

THE PILLSBURY COMPANY

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TELEX 576-3100

June 30, 1980

Riverport Terminal & Fleeting Company
112 North Fourth Street
Suite 1754
St. Louis, Missouri 63102

Monsanto Company
800 North Lindbergh Boulevard
St. Louis, Missouri 63166

Gentlemen:

The Pillsbury Company is the lessee of approximately 84 acres of land along the Mississippi River at Sauget, Illinois, under a lease agreement with Riverport Terminal & Fleeting Company dated July 31, 1979. This property was leased by Pillsbury for the purpose of utilizing it as a bulk materials handling and storage facility including the loading and unloading of bulk materials to and from rail cars, trucks and barges. In connection with such use, it is necessary to install a certain amount of rail trackage for placing rail cars at the site.

During the week of May 26, 1980, while a contractor employed by Pillsbury was in the process of grading a strip of land for the purpose of laying railroad track adjacent to property owned by Monsanto at the north end of the site, the bulldozer came in contact with and ruptured a barrel containing a chemical substance. The Monsanto Company was notified and sent representatives to the site who advised the bulldozer operator to shower and change clothes. Monsanto made an investigation of the area and, in a memo dated May 30, 1980, Mr. C.F. Buckley of that company stated that there "is a significant amount of chemical waste mixed in with other trash and debris. Some of the materials are either corrosive or toxic or both. Some are capable of causing systemic poisoning by skin absorption."

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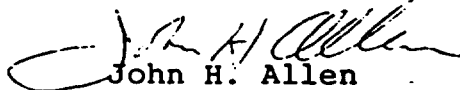
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In view of the foregoing, all work on the track construction has been stopped and no action has been taken to remove coke piled under adjacent electric transmission wires under an obligation by Pillsbury to Union Electric Company. It seems clear that Pillsbury is being deprived of the use of a portion of its leasehold contrary to its lease agreement and that the presence of hazardous chemical waste deposited by Monsanto has caused such deprivation.

The purpose of this letter, therefore, is to demand that action be taken by the addressees to correct the situation and cause the property to be safe for its intended use by Pillsbury. Otherwise, it may be necessary to involve federal or state environmental agencies in order to get the matter resolved.

We would appreciate your early reply.

Very truly yours,


John H. Allen

JHA/J

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